



Utah Counties Insurance Pool

## Board of Trustees Meeting

Thursday, December 4, 2008, 8:30 a.m.

Thanksgiving Point, Amber Room

3003 N. Thanksgiving Way, Lehi, UT

## *AGENDA*

8:30	Call to Order	Lynn Lemon
ITEM	ACTION	
1	Excuse Board Members Absent	Lynn Lemon
2	Member Termination Procedures	Johnnie Miller
3	Set Date and Time for Closed Meeting to Discuss the Pending or Reasonably Imminent Litigation	Lynn Lemon
4	Action on Litigation Matters	Lynn Lemon
5	Experience Modification Adjustment Plan	Johnnie Miller
6	UCIP Employee Benefits	Johnnie Miller
7	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Lynn Lemon
8	Action on Personnel Matters	Lynn Lemon
9	General Budget Discussions	Johnnie Miller
	Other Business	Lynn Lemon
11:30	Adjourn	





Utah Counties Insurance Pool  
*Supporting Your Goals Since 1992*

## BOARD OF TRUSTEES MEETING

### MINUTES

December 4, 2008, 8:30 a.m.

Thanksgiving Point, Lehi, UT

#### **BOARD MEMBERS PRESENT**

Lynn Lemon, *President*, Cache County Executive  
Kay Blackwell, *Vice President*, Piute County Commissioner  
Steve Wall, *Secretary-Treasurer*, Sevier County Clerk-Auditor  
Bruce Adams, San Juan County Commissioner  
Ken Bischoff, Weber County Commissioner  
Jim Eardley, Washington County Commissioner  
LaMar Guymon, Emery County Sheriff  
Jerry Hess, Davis County Deputy Attorney  
Karla Johnson, Kane County Clerk-Auditor  
Wayne Smith, Iron County Commissioner  
Kent Sundberg, Utah County Deputy Attorney  
Steve White, Utah County Commissioner

#### **BOARD MEMBERS ABSENT**

Brad Dee, Weber County Human Resources Director

#### **OTHERS PRESENT**

Johnnie Miller, UCIP Chief Executive Officer  
Mark Brady, UCIP Loss Control Manager  
Sonya White, UCIP Manager of Administration

#### **Call to Order**

Lynn Lemon called this meeting of the Utah Counties Insurance Pool Board of Trustees to order at 8:30 a.m. on December 4, 2008.

#### **Review of Board Members Absent**

Brad Dee requested to be excused from this meeting due to a meeting with the Governor. Steve White made a motion to excuse Brad Dee from this meeting. LaMar Guymon seconded the motion, which passed unanimously.

#### **Member Termination Procedures**

Johnnie Miller reported that Grand County has requested a withdrawal from membership without proper notice (see attachment number one). On November 24, immediately following receipt of the County's facsimile to UCIP, the Grand County Council Chair, Gene Ciarus, was contacted by UCIP staff to discuss the County's decision. Council Member Ciarus explained that the County had received lower premium quotes. As for the proper notice of withdrawal from participation, staff was asked to contact the County's attorney. Grand County's Multiline premium decreased from 2008 and their Workers' Compensation premium increased 20 percent although their payroll and experience modification factor increased more than 20 percent. Grand County also had a death claim in 2008. Following the Utah Association of Counties (UAC) Annual Convention, several member counties have been contacted by the Utah Local Governments Trust (Trust) to provide quotes. Iron, Summit, Uintah, Utah and Washington Counties have all received quotes significantly lower than the premiums calculated by UCIP's actuary for these counties. Summit and Utah Counties have given UCIP notice to terminate their workers' compensation coverage effective January 1, 2009 (see attachments number two and three). The Trust is offering a three-year guarantee on premium amounts as long as the Counties do not exceed a 50 percent loss ratio. Based on historical losses and Trust premium quotes, each county would exceed this threshold, making the rate guarantee meaningless. Quotes being

received from Workers' Compensation Fund are generally higher than UCIP's premium calculations. Johnnie has tried to come to an understanding with the Trust but he feels that the other entities that receive coverages from the Trust should know that county business is being bought with their surplus. When Emery County left UCIP's Workers' Compensation Program, the Bylaws were amended by the Board of Trustees to require 120 days written notice of withdrawal from any single line of coverage prior to the renewal date (January 1). Steve White said the problem with the perceived 120 day requirement is that UCIP did not provide its members with premium quotes until October. Kent Sundberg said that every contract should have a termination clause but pointed out that the Bylaws state "within" 120 days, not "no later" than 120 days. Johnnie advised the Board that given these members high loss ratios in workers' compensation, the Pool will be more stable than if UCIP offered them lower quotes. The Pool is receiving notices to terminate coverage from the Counties who are represented on the Board of Trustees; the Board Members who approved the rates and premium calculations. This is sending the wrong message to those counties who have explained to their governing bodies the importance of membership, the services provided by UCIP and has budgeted for their increases. In the matter of Grand County, Johnnie explained that he is scheduled to make a presentation to their Council on December 16 and will discuss their membership, loss of equity and any issues the County may have experienced with the Pool. Johnnie recommended that Grand County be invoiced for their premiums since property reinsurance has been paid up to July 2009 and their estimated payroll has already been reported to UCIP reinsurance carriers. Termination of membership in Article nine of the Bylaws should be followed. The notice of termination should explain that the Board recognizes that amendments relating to the 120 day notice of withdrawal need to be made to the Interlocal Agreement and the Bylaws. Also, that any equity in the Pool is forfeited. Johnnie suggested that the Board may want to consider a policy where members leaving the Workers' Compensation Program with a negative equity have that applied to their Multiline Program equity position. Steve White feels that the language in the Bylaws forces a Governmental Entity to obligate future year's tax revenue and asserted that the Workers' Compensation Program was never tied to member equity. Jim Eardley made a motion to invoice Grand County and follow the termination of membership process if premiums are not paid as governed by Article nine of the Bylaws. Karla Johnson seconded the motion, which passed unanimously. Johnnie will work with the attorney's on the Board and the Bylaws Committee on revisions to the governing documents of UCIP. Johnnie reported that UCIP has the opportunity to raise revenue from the Employee Benefits Program by receiving the three percent service fee from PEHP for those covered members. Cache and Wasatch Counties have decided not to sign the written notice for UCIP to receive these fees. Johnnie suggested that membership termination from the Employee Benefits Program should also be addressed in the Bylaws and Interlocal Agreement. Johnnie suggested that for members leaving a single line of coverage, the Board take the position that they recognize weaknesses in the current termination language, that the Board plans to change the language and therefore no action will be taken against those counties at this time. The Board Agreed to take this position.

#### **Set Date and Time for Closed Meeting**

Steve White made a motion to strike the agenda item: Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation. Kay Blackwell seconded the motion, which passed unanimously.

#### **Action on Litigation Matters**

Steve White made a motion to strike the agenda item: Action on Litigation Matters. Kay Blackwell seconded the motion, which passed unanimously.

#### **Experience Modification Adjustment Plan**

Johnnie Miller explained that the experience modification factors, since 2004, have been based on what a member should have paid in workers' compensation premiums. The premiums approved at the October Board meeting were based on factors calculated on premiums that members actually paid. Johnnie reviewed an Experience Modification Adjustment Plan with the Board (see attachment number four). Johnnie had calculated this Plan to show the Board at its October meeting but the Board approved the premium calculations presented in order to build surplus. This option would limit member experience modifications in 2009 that resulted from the premium cap practice of the Board. The limited experience modification plan would reduce member premiums by \$433,000, which Johnnie felt would still be within the actuary's indications. Jerry Hess and Karla Johnson were concerned that by adopting this Plan the Board continues its practice of capping premiums. Jim Eardley stated that Washington County will be staying in the UCIP Workers' Compensation Program only if this Adjustment Plan is adopted. Johnnie reported that Utah County has not yet made a formal decision but the County may be more likely to stay with the Pool if this Plan is adopted. Kent



Sundberg said that the County's Human Resources Department continues to complain about the services provided by UCIP's Workers' Compensation claims administration. Jim Eardley also expressed that his staff feels UCIP's Workers' Compensation service is inferior to that received from the Workers' Compensation Fund. Johnnie explained that expenses from the Workers' Compensation Program will need to be reduced if this Plan is adopted. Surplus will continue to grow but not as quickly. The Pool cannot stabilize premiums as long as a county is growing but the Pool can stabilize rates. Johnnie summarized the Plan by saying that members will not be penalized for the Board's premium cap policy. Kay Blackwell made a motion to approve the Experience Modification Adjustment Plan as presented. Ken Bischoff seconded the motion, which passed; Jerry Hess and Karla Johnson opposed.

#### **UCIP Employee Benefits**

Johnnie Miller reviewed the benefits package offered to UCIP employees and stated that UCIP benefits are 60 percent of salary and the market average is 40 percent of salary. The Board approved the same benefits employees had with the Utah Association of Counties when the Pool terminated UAC's administration contract. The rich benefits package was provided since salaries for UCIP employees are lower than market. Johnnie presented several options for the reductions of benefits and received direction from the Board. The final 2009 budget will be presented at the December 11 meeting.

#### **Set Date and Time for Closed Meeting**

Steve White made a motion to strike the agenda item: Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual. Wayne Smith seconded the motion, which passed unanimously.

#### **Action on Personnel Matters**

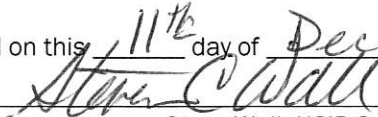
Steve White made a motion to strike the agenda item: Action on Personnel Matters. Wayne Smith seconded the motion, which passed unanimously.

#### **General Budget Discussions**

The Board discussed the amount of money used to sponsor Utah Association of Counties (UAC) events when UAC allows direct competitors to attend/sponsor events and asks members to support these competitors. Jim Eardley, as President of the Utah State Association of County Commissioners and Councils (USACCC), volunteered to speak with Brent Gardner, UAC Executive Director, about the level of support UCIP is providing and what the Board of Trustees expects from that continued support. Johnnie presented several options for the reduction of expenses in the 2009 budgets and received direction from the Board to present these amendments at the December 11 meeting.

#### **Other Business**

LaMar Guymon explained that UCIP is being blamed for the new state requirements for volunteers. Many counties have stopped using volunteers because they are under the impression that UCIP won't cover them. Mark Brady will work with each county to educate them on this law.

Approved on this 11<sup>th</sup> day of December 2008  
  
Steve Wall, UCIP Secretary-Treasurer





**Diana Carroll**  
**Grand County Clerk/Auditor**

125 East Center Street  
Moab, Utah 84532

(435) 259-1321  
(435) 259-2959 (FAX)

November 24, 2008

Utah Counties Insurance Pool  
Attn: Sonya White  
PO Box 760  
Midvale, UT 84047

RE: Cancellation of Workers Compensation,  
Liability, and Property/Auto PD Policies

Dear Sonya,

Please cancel our workers compensation, liability, and property and auto physical damage policies effective 1/1/09 (i.e. do not renew our policies). We have requested proposals from other insurance providers, and have chosen to insure the county through them.

We appreciate your assistance over the years.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pat Byrd".

Pat Byrd  
Insurance Coordinator  
Grand County

## Sonya White

---

**From:** Ronie Wilde [rwilde@co.summit.ut.us]  
**Sent:** Tuesday, December 02, 2008 11:25 AM  
**To:** Sonya White  
**Subject:** Worker's Comp

**Attachments:** image001.jpg



image001.jpg (6  
KB)

Hi Sonja:

Brian asked me to let you know that we will not be going with UCIP this year for our worker's comp. If you have questions, please let me know.

Thanks

Ronie

Ronie Sue Wilde

Benefits Administrator

Summit County

P.O. Box 128

Coalville, Utah 84017

Phone: 435-336-3240

Fax: 435-336-3033

rwilde@co.summit.ut.us

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# Utah County Commission

GARY J. ANDERSON, (801) 851-8233  
LARRY A. ELLERTSON, (801) 851-8133  
STEVE WHITE, (801) 851-8136

100 EAST CENTER STREET  
SUITE 2300  
PROVO, UTAH 84606

FAX (801) 851-8146  
UCADM.UTAHCNTY@STATE.UT.US  
WWW.UTAHCOUNTYONLINE.COM

November 25, 2008

Johnnie Miller  
Chief Executive Officer  
Utah Counties Insurance Pool  
P.O. Box 760  
Midvale, UT 84047-0760

**Re:** *Utah County Workers Compensation Insurance*

Dear Johnnie:

This letter will serve as notice of Utah County's intent to terminate the workers' compensation insurance coverage currently offered to Utah County through the Utah Counties Insurance Pool ("UCIP"). The effective date of said termination shall be December 31, 2008.

Utah County was able to secure more competitive premiums than those proposed by UCIP, so we will be receiving workers' compensation insurance coverage through another carrier, effective January 1, 2009.

We appreciate the service we have received from UCIP.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary J. Anderson", with a long horizontal flourish extending to the right.

Gary J. Anderson  
Chair, Board of County Commissioners, Utah County, Utah



Utah Counties Insurance Pool  
*Supporting Your Goals Since 1992*

November 24, 2008

James Eardley  
197 East Tabernacle  
St. George, UT 84770

Dear Commissioner Eardley,

As we discussed over the phone recently, the large increase Washington County recently received on its workers compensation premium is a result primarily of the increased payroll Washington County reported this year, and the increase to the county's experience modification factor from 2008. A portion of the increase in the county's experience mod results from the practice of using UCIP surplus to pay a portion of the county's premium. Although the county has benefited from this practice, it has led to this unfortunate increase in your experience mod, leading to increased premium.

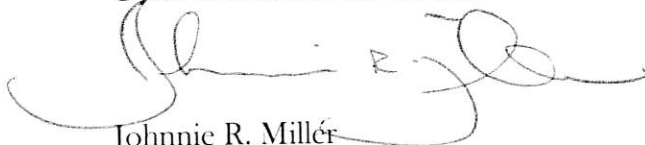
Considering that the use of surplus to pay portions of member premiums was a decision made by UCIP, and not by the individual members, I have developed an "Experience Modification Adjustment" plan for consideration of the Board at their December meeting. This plan would limit the increase in your experience mod to the amount driven by claims experience, and would not penalize the county for the fact that surplus has been used to pay a portion of your premium.

If the Board approves the Experience Modification Adjustment Plan, Washington County's workers compensation premium for 2009 would be reduced to \$244,903, based on the estimated payroll provided by the county.

I want to express again that the premium increases the UCIP Board of Directors approved this year are not a trend, but an adjustment. The increase will provide the basis to assure long term stability in rates, and equity between members.

If you should have any questions, please don't hesitate to contact me.

Sincerely,  
**UTAH COUNTIES INSURANCE POOL**



Johnnie R. Miller  
*Chief Executive Officer*

# Utah Counties Insurance Pool

## 2009 Worker' Compensation Premium Summary

### Mod Limitation Plan

This plan would limit changes to member experience mods in 2009 resulting from the premium cap practice of the Board.

Member	Exp Mod	Limited	Original	Limited	Difference	
		Exp Mod	Discounted Premium	Discounted Premium		
Cache	x	1.02	0.92	216,614	195,377	21,237
Carbon	x	0.86	0.80	120,643	112,226	8,417
Daggett	x	0.81	0.81	26,166	26,166	0
Duchesne		0.76	0.76	56,203	56,203	0
Garfield		0.96	0.92	48,659	46,632	2,027
Grand	x	1.12	1.08	79,029	76,207	2,822
Iron	x	1.18	1.04	204,798	180,500	24,298
Juab	x	1.53	1.52	56,636	56,266	370
Kane	x	1.50	1.37	93,627	85,512	8,114
Millard		1.04	1.04	105,348	105,348	0
Morgan	x	1.38	1.31	61,723	58,592	3,131
Piute	x	0.88	0.87	7,645	7,558	87
Rich	x	1.24	1.16	23,992	22,444	1,548
San Juan	x	1.03	0.85	72,907	60,166	12,741
Sanpete		0.90	0.90	26,121	26,121	0
Sevier	x	1.13	0.92	87,028	70,855	16,173
Summit	x	1.10	0.92	245,639	216,549	29,090
Tooele	x	1.12	0.91	261,969	224,355	37,614
Uintah		1.50	1.50	200,470	200,470	0
Utah	x	1.24	0.96	746,688	578,081	168,607
Wasatch		1.24	1.24	128,517	128,517	0
Washington	x	0.93	0.74	307,784	244,903	62,881
Wayne	x	1.31	1.20	19,350	17,725	1,625
Weber	x	0.85	0.80	478,435	450,292	28,143
UCIP		0.99	0.99	1,084	1,084	0
Wasatch Mental Health		1.45	1.45	124,494	121,381	3,112
Bear River Health	x	0.85	0.76	17,734	15,856	1,878
Totals				\$3,819,302	\$3,385,386	\$433,916

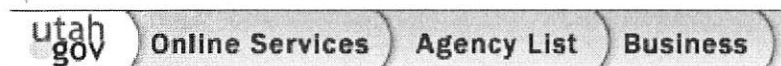


# Utah Counties Insurance Pool Vendor Report January 2003 through December 2008

Utah Association of Counties	Date	Memo	Amount
	07/17/2003	Exhibit Space & Vendor Registration	-600.00
	09/17/2003	USACCC Fall Workshop Sponsorship	-1,000.00
	01/15/2004	County Officials Day Sponsorship	-250.00
	02/26/2004	Management Conference Sponsorship & Exhibiting	-1,237.50
	03/05/2004	March Newsletter Advertisement	-212.50
	07/29/2004	June Newsletter Advertisement	-212.50
	02/03/2005	The Works Sponsorship 2005	-467.50
	02/17/2005	Fall 2004 Newsletter - Invoice: 504	-212.50
	02/17/2005	Winter 2005 Newsletter - Invoice: 505	-212.50
	02/17/2005	Management Conference Exhibiting & Sponsorship	-1,232.50
	04/14/2005	Invoice Number: N/A	-212.50
	06/23/2005	Invoice Number: N/A	-212.50
	01/19/2006	Winter 2006 Newsletter Advertisement	-250.00
	03/31/2006	Newsletter, Exhibit Space, Sponsorship	-1,322.50
	06/28/2006	Newsletter	-212.50
	08/22/2006	Annual Convention Sponsorship/Exhibit	-1,360.00
	09/22/2006	USACCC Conference Sponsorship	-425.00
	10/06/2006	Fall Newsletter	-212.50
	01/16/2007	January-February Sponsorship	-1,062.50
	02/15/2007	Management Conference, April 2007	-1,190.00
	04/17/2007	Second Quarter Newsletter	-212.50
	08/13/2007	Third Quarter Newsletter	-212.50
	10/01/2007	Sponsorship/Exhibiting	-2,047.50
	01/17/2008	Sponsorship/Exhibiting	-2,422.50
	04/09/2008	Sponsorship/Exhibiting	-255.00
	07/16/2008	Sponsorship/Exhibiting	-255.00
	09/10/2008	Sponsorship/Exhibiting USACCC	-637.50
	10/16/2008	Sponsorship/Exhibiting	-3,470.00
		Sponsorship Golf Outing	-1,000.00
			<b>-22,610.00</b>





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Meeting Title:	Board of Trustees
Government Type:	Special Districts
Entity:	Utah Counties Insurance Pool
Public Body Name:	Board of Trustees
Meeting Subject:	Insurance
Street Address:	3003 N. Thanksgiving Way
Street Address continued:	
City:	Lehi
Zip:	84043
Start Date:	12/04/08 8:30 AM
End Date:	12/04/08 11:30 AM
Agenda:	Call to Order Excuse Board Members Absent Member Termination Procedures Set Date and Time for Closed Meeting to Discuss the Pending or Reasonably Imminent Litigation Action on Litigation Matters Experience Modification Adjustment Plan UCIP Employee Benefits Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual Action on Personnel Matters General Budget Discussions Other Business Adjourn

ADA: In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Insurance Pool, PO Box 760, Midvale, UT 84047, or call 800-339-4070, at least three days prior to the meeting.

Electronic Participation: Any Member of the Utah Counties Insurance Pool Board of Trustees may participate telephonically.



Other:

Emergency Meeting Notice:

Yes

Send copy of notice to:

sonya@ucip.utah.gov

Attachments

There are attachments associated with this notice.

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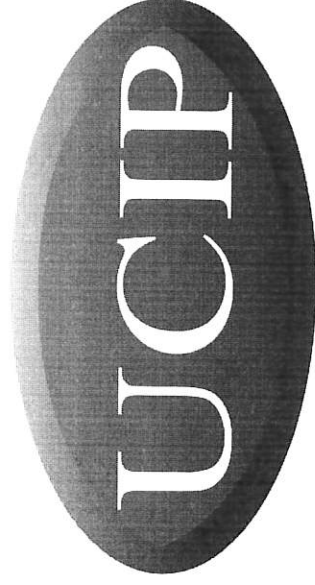
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Utah Counties Insurance Pool  
*Supporting Your Goals Since 1992*

# Board of Trustees Meeting

Thursday, December 4, 2008  
Thanksgiving Point, Lehi, UT





## **Section 11. TERMINATION OF PARTICIPATION.**

Any Member may withdraw from the Pool, at the end of a coverage period after giving the Board timely written notice of such withdrawal, pursuant to a resolution of the Member's governing body. Timely written notice of such withdrawal must be provided to the Board no later than 120 days day prior to the date the Member's coverage would otherwise renew. The Board shall consider a timely written notice of withdrawal to be a final decision unless the notice is withdrawn by the Member 90 days prior to the date the Member's coverage would otherwise renew. The Board may, by a three-fourths vote and at its sole discretion, agree to permit an earlier date of withdrawal.

A withdrawn member shall lose all voting rights upon the effective date of withdrawal. Any claim of title or interest to any asset of the Pool, and any continuing obligation of the Pool to the member or of the member to the Pool, after the effective date of the member's withdrawal, shall end.

A member shall lose all voting rights upon termination of its membership. The terminating member shall lose any claim of title or interest to any asset of the Pool, and any continuing obligation of the Pool to the member or of the member to the Pool, after the termination of membership, shall end.



## **ARTICLE 8.1**

Any Member may withdraw from the Pool, at the end of a coverage period after giving the Board timely written notice of such withdrawal, pursuant to a resolution of the Member's governing body. Timely written notice of such withdrawal must be provided to the Board no later than 120 days day prior to the date the Member's coverage would otherwise renew. The Board shall consider a timely written notice of withdrawal to be a final decision unless the notice is withdrawn by the Member 90 days prior to the date the Member's coverage would otherwise renew. The Board may, by a three-fourths vote and at its sole discretion, agree to permit an earlier date of withdrawal.



## **ARTICLE 8.3**

- Any Member who chooses to withdraw from participation in any single line of coverage must provide timely written notice to the Board. Written notice of withdrawal from any single line of coverage must be made within 120 days prior to the renewal date.





# Bylaws Article 8.3

- Based on Emery WC termination Dec. 2006
- Bylaws Committee Approval August, 2007
- Board Approval August, 2007
  - Unanimous approval; Bischoff, Johnson absent
- Membership Approval December, 2007
  - Information was included in Membership Packet
  - Members now in violation were in attendance, and voted in favor



## **ARTICLE 9.1**

A Member that fails to pay a premium due the Pool shall have its membership in the Pool terminated at 12:00 a.m. MST on the sixtieth day following the due date, unless time for payment is extended by the Board and payment is made within any extended period. A notice of failure to pay a premium due the Pool shall be mailed to the Member at least 30 days prior to the date of termination. A termination of membership under this paragraph shall not be subject to the provisions of Article 9.2.



## **ARTICLE 9.2**

Any membership in the Pool may be terminated by the Board or by a three-fourths vote of the Members for failure of the Member to carry out any other obligation of the Member, subject to the following:



## **ARTICLE 9.2(a)**

**The Member shall receive written notice from the Board of the alleged failure and shall be given not less than 30 days in which to correct the alleged failure, along with notice that termination of membership could result if the failure is not corrected.**





## **ARTICLE 9.2(b)**

The Member may request a hearing before the Members at a membership meeting prior to the termination. The request shall be made in writing to the Board at least ten business days before the end of the period given by the Board to correct the alleged failure. The Board shall present the case for termination of membership at the hearing and the affected Member may present its case. The affected Member shall not be counted in determining the number of votes required, nor shall the representative of such Member be entitled to vote on the termination.



## **ARTICLE 9.2(c)**

If a request is not received pursuant to Article 9.2(b) of the Bylaws and if the failure is not corrected within the time required by the Board's notice, or any extension of such time as the Board may grant, the Board may terminate the membership. The Member may request a hearing before the Board on the proposed termination in lieu of a hearing before the Members. The request shall be made in writing and received by the Board at least five days before the end of the period given by the Board to correct the alleged failure, and shall be granted if so made.



## **ARTICLE 9.2(d)**

The Board shall provide the Member at least ten days prior written notice of the time and place of any requested hearing, and the proposed termination of membership may not take effect until such time after the conclusion of any hearing as the Board or Members, as applicable, may set.



## **ARTICLE 9.3**

Termination of membership shall be in addition to any other remedy that may exist.





## **ARTICLE 9.4**

**A Member shall lose all voting rights upon termination of its membership. The terminating Member shall lose any claim of title or interest to any asset of the Pool, and any continuing obligation of the Pool to the Member or of the Member to the Pool, after the termination of membership, shall end.**



# WC Mod Limitation Plan

- Adjusts Member Mods to forgive premium caps implemented by the Board.
- Lowers most members mods, resulting in reduced premiums.
- Mods would begin to drop over next 3 years, this plan speeds up that process.
- Total reduction in premium = \$433,916.



# UCIP Employee Compensation

- Current Benefits = 60% of Salary
- Market Benefits = 40% of Salary
- As Health Benefits are replaced with Salary, Total Cost increases due to % of Salary Benefits like Retirement
- Can reduce Total Cost more efficiently by focusing on % of Salary Benefits



# UCIP Employee Compensation

- Health Benefit Adjustments Increase Total Cost
- Retirement Benefit Largest Driver of Cost
- Any Addition to Salary Produces 15.3% Salary Cost

